

**STATEMENT OF PROCEEDINGS FOR THE SPECIAL MEETING OF THE
CITY OF MONTEBELLO OVERSIGHT BOARD**

**CITY OF MONTEBELLO
CITY COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA 90640**

Wednesday, July 18, 2012

8:15 AM

AUDIO LINK FOR THE ENTIRE MEETING. (12-3846)

Attachments: [AUDIO](#)

I. CALL TO ORDER

Chair Bruckner called the meeting to order at 8:22 a.m.

II. ROLL CALL

Present: Chair Richard Bruckner, Vice Chair Ernesto Hidalgo
Board Members Edgar Cisneros, Yolanda Duarte (arrived at
8:31 a.m.), Cheryl A. Plotkin and Dolores Gonzalez-Hayes

Vacant: Community College Appointee

III. CLOSED SESSION

1. Successor Agency Counsel shall provide a briefing on the items listed for Closed Session as follows:

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Subdivision (a), of Government Code Section 54956.9)

Sevacherian, et al. v. Community Redevelopment Agency of the City of Montebello, Los Angeles County Superior Court Case No. BC437787) (12-2793)

By Common Consent, there being no objection (Board Member Duarte being absent and Community College Appointee being vacant), the Oversight Board entered into Closed Session from 8:27 a.m.

Closed Session adjourned and Open Session reconvened at 8:57 a.m. with all Oversight Board Members being present (Community College Appointee being vacant).

Chair Bruckner reported that there was no reportable action taken.

IV. ADMINISTRATIVE MATTERS

2. Self introduction of newly appointed Oversight Board member. (12-3273)

Chair Bruckner introduced new appointee to the Oversight Board, Ms. Dolores Gonzalez-Hayes.

3. Recommendation: Approve the Minutes for June 6, 2012 and June 13, 2012. (12-3153)

On motion of Board Member Cisneros, seconded by Board Member Plotkin, duly carried by the following vote, the Oversight Board approved the June 6 and June 13, 2012 Minutes:

Ayes: 5 - Chair Bruckner, Vice Chair Hidalgo, Board Member Cisneros, Board Member Duarte and Board Member Plotkin

Abstentions: 1 - Board Member Gonzalez-Hayes

Absent: 1 - Board Member Appointee

Attachments: [06-06-12 Minutes](#)
[06-13-12 Special Meeting Minutes](#)

V. UPCOMING ITEMS

4. Recommendation: Request the Successor Agency to provide documentation of all encumbered and unencumbered Low and Moderate Housing Funds. (Continued from the meetings of 4-24-12, 5-2-12 and 6-6-12) (12-1715)

By Common Consent, there being no objection (Community College Appointee being vacant), the Oversight Board tabled this item to a later date to be determined.

5. Recommendation: Direct Successor Agency to remit unencumbered fund balances to the Los Angeles County Auditor-Controller for distribution to the taxing entities, including the unencumbered balances of Low and Moderate Income Housing Funds. (Continued from the meetings of 4-24-12, 5-2-12 and 6-6-12) (12-1718)

By Common Consent, there being no objection (Community College Appointee being vacant), the Oversight Board tabled this item to a later date to be determined.

6. Review of Successor Agency Property Assets. (Continued from the meeting of 6-6-12) (12-2545)

Michael Huntley, Director of Planning & Community Development, provided the Oversight Board with the following overview of the City of Montebello Successor Agency and the Housing Successor Agency controlled property assets:

- a. 1600 W. Beverly Blvd. – City Hall Building and City Park is composed of two parcels owned by the Redevelopment Agency.**
- b. 737 N. Montebello Blvd – Taylor Ranch property was purchased in early 1970 having a public purpose.**
- c. Parcel # 4 on N. Montebello Blvd. - There is an underground reservoir and a communication tower and considered as public purpose.**
- d. 1345 N. Montebello Blvd. - These properties were purchased by the Redevelopment Agency in late 1980 and comprised of Commercial Building with Parking Lot (Costco), and seven (7) acres of parking. These properties were subdivided and the Successor Agency intends to maintain the asset, with a potential to liquidate based on the revenue it generates.**
- e. 310 W. Whittier Blvd. – This property was purchased in 1998 and considered for liquidation.**
- f. 701-705 W. Whittier Blvd. – These properties consist of 4,099 square feet of commercial restaurant buildings located in the downtown area, and are considered for liquidation.**
- g. Union Street/Chapin Road – The acquisition is in the industrial zone and subject for liquidation.**
- h. 2917 Via Campo – The Redevelopment Housing Agency set aside funds to purchase this property for housing purposes.**
- i. Six (6) separate parcels - These properties were purchased through bankruptcy in 2010 for the downtown housing development projects. These properties are currently controlled by the Housing Authority.**
- j. 121-132 South 6th Street) – These properties were purchased by the Redevelopment Agency Set Aside Funds for future housing redevelopment.**

Mr. Huntley stated that these properties were purchased from the Housing Set Aside Funds, and further informed the Oversight Board that staff will continue to review and work with Counsel to the Successor Agency on a format subsequent to AB 1484 and identify what will be necessary for the long-range asset plan. It is anticipated that the Property Assets form will be ready for submission in September or October, which will be based on guidelines and/or City Council's actions prior to presenting it to the Oversight Board.

Chair Bruckner reiterated for clarification that the Successor Agency would prepare the long-range asset plan with the approval by the Successor Agency for the Oversight Board and for the Department of Finance review.

By Common Consent, there being no objection (Community College Appointee being vacant), the Oversight Board accepted Mr. Huntley's report.

Attachments: [Supporting Document](#)

VI. DISCUSSION ITEMS

7. Status update on legislation bills relating to ABX1 26. (12-3154)

Matt Gorman, Successor Agency Counsel, presented a verbal report on major provisions of AB 1484 with the following highlights:

- a. Department of Finance (DOF) Letter dated July 11, 2012: 2011- 12 Catch-Up Process, the 2011-12 property taxes associated with the dissolution of the redevelopment agencies. The Successor Agency must remit payment of \$431,000 to the Auditor-Controller for the residual property tax within 72 hours upon receipt of letter; otherwise, there will be a fine of \$10,000.
- b. DOF Letter dated July 11, 2012, 2012-2013 Future Processes, AB 1484 extends the time available for DOF to review Successor Agency submittals provides various timelines.
- c. DOF Letter dated July 11, 2012: Incentives and Penalties - AB 1484 allows strict civil penalties to be imposed if Successor Agencies fail to remit revenues on time. one being \$10,000 for non-compliance.
- d. Remittance of payments for 2011 property tax.
- e. New Audit by October 1st on the Low Moderate Income Housing Fund, Cash Assets, Cash Transfers to public agencies and private parties.

- f. New penalties for failure to meet the deadline.**
- g. Safe Harbor: Findings of Completion (if in compliance). Mr. Gorman suggested that it is important for the Successor Agency to understand what these assets are and how to best come up with a strategy to bring tax revenues in order to provide payments to the State.**
- h. New Power of the State Controller - to push Successor Agency to be in compliance.**
- i. Increase in authority for the DOF.**
- j. New restrictions on authority of the Successor Agency.**
- k. Miscellaneous items such as the City loans to the Successor Agency, the new Oversight Board Provisions, the new authority for the Auditor-Controller, Polanco Act protection for Successor Agency, limited authority for the Successor Agency to refinance existing debt, and the Successor Agency as a separate public entity - The new provisions for the Oversight Board will be handled by the Oversight Board Counsel. The Successor Agency Counsel will provide interim guidance on what the next steps are in conformance with the new requirements.**
- l. AB 1484 Important Dates – dates will be verified and ensure the Successor Agency is in compliance**

By Common Consent, there being no objection (Community College Appointee being vacant), the Oversight Board accepted Mr. Gorman's report.

Attachments: [Supporting Document](#)

VII. MISCELLANEOUS

8. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting.) (12-3150)

Michael Huntley, Director of Planning & Community Development, recommended that the next regular meeting of the Oversight Board be rescheduled to a Special Meeting Wednesday, August 15, 2012 at 8:15 a.m. to give the Successor Agency ample time to prepare the Recognized Obligation Payment Schedule for the period of January 1, 2013 through June 30, 2013 (ROPS 3).

Chair Bruckner requested the Successor Agency to provide all necessary documentation pertaining to ROPS 3 in advance of the August 15, 2012 Special Meeting

On motion by Vice Chair Hidalgo, seconded by Board Member Cisneros, unanimously carried (Community College Appointee being vacant), the Oversight Board rescheduled the regular meeting of the Oversight Board to a Special Meeting for Wednesday, August 15, 2012 at 8:15 a.m., and instructed the Successor Agency to provide all documentation pertaining to ROPS 3 in advance of the meeting.

9. Public Comment. (12-3151)

Anna Arriola addressed the Oversight Board.

10. Adjournment. (12-3152)

The Special Meeting adjourned at 8:44 a.m. The Oversight Board scheduled a Special Meeting for August 15, 2012 at 8:15 a.m.